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Alleged Israeli Spy Is Negotiating Plea

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Federal prosecutors and lawyers for accused Israeli spy Jonathan Jay Pollard, a former civilian Navy counterintelligence analyst, are attempting to work out a negotiated plea and are close to reaching an agreement, U.S. sources said last night.

A wide-ranging federal investigation of Pollard has turned up evidence that seems to show that Pollard allegedly was part of an espionage operation that was better organized and financed than investigators originally had been led to believe, the sources said.

"This was not a rogue operation," one source said.

The source said new evidence indicates that other unidentified individuals may have been involved in Pollard's alleged spying.

Last night, the Los Angeles Times reported that the investigation most likely will lead to at least one more arrest in the case. The Times said one of the suspects was an unidentified Israeli air force official, described as a regular visitor to the United States. The newspaper, quoting unidentified sources, said the Israeli official is believed to have been the "master case officer" for U.S. intelligence operations.

Israeli Ambassador Meir Rosenne declined comment, the Times reported.

Pollard's arrest outside the Israeli Embassy here last Nov. 21 created a political uproar in this country and in Israel. straining relations between the United States and its Mideast ally.

From the beginning, Justice Department and State Department officials have disagreed over how much public disclosure there should be concerning Pollard's alleged spying for Israel. Sources said last night that Justice Department officials who want to press the investigation are concerned that the State Department is once again trying to limit public disclosure of new information developed since Pollard's arrest.

Sources said that the additional information developed by the investigation is likely to cause further embarrassment for Israeli Prime Minister Shimon Peres.

Last December, Peres issued a formal apology to the United States concerning the Pollard affair following a lengthy telephone conversation between Peres and Secretary of State George P. Shultz. At the time, Israeli officials expresed hope that the case would be resolved without any further damage to U.S.-Israeli relations.

As part of an agreement worked out between Shultz and Peres, a team of U.S. officials was permitted to visit Israel last December to gather information about the Pollard case, particularly from three Israeli officials implicated in Pollard's alleged spying.

While in Israel, the team of Justice and State Department officials interviewed Rafael Eitan, an Israeli intelligence official said to be in charge of Pollard's alleged activities, and two Israeli diplomats alleged to have been Pollard's contacts here.

The two diplomats, Ilan Ravid and Yosef Yagur, left the United States and returned to Israel shortly after Pollard's arrest.

Last December, the State Department praised the Israeli government for turning over to U.S. officials visiting Israel all the classified documents that Israeli officials said Pollard supplied to the Israeli government.

According to accounts circulating in the Israeli government last year, Pollard supposedly became involved after approaching Israeli officials in the United States and convincing them that his Navy superiors had authorized him to set up a secret back-channel for the exchange of information.

U.S. officials involved in the investigation have said they regarded the Israeli account of how Pollard became involved as self-serving. Sources said new information developed by the investigation is likely to further call into question Is-

rael's claim that Pollard's alleged spying was not well-organized.

Pollard, who held top-secret clearance for work on information about terrorist activities, had been employed by the Navy since 1979. At the time of his arrest, he reported to the Naval Investigative Service in Suitland.

Pollard has been held in custody without bond since the FBI arrested him last year. He has been charged with providing documents to a foreign government, which carries a maximum penalty of life in prison.

The day after his arrest, the FBI charged his wife, Anne Henderson-Pollard with possessing classified government documents in connection with her husband's alleged activities. That charge carries a penalty of up to 10 years in prison and a \$10,000 fine.

Henderson-Pollard was held without bond until her release in late February, following a closed hearing before a federal judge here.

Sources said when she was released that it was a sign that prosecutors and attorneys for the Pollards had not reached an impasse in their effort to resolve the case through plea negotiations. Any negotiations worked out concerning Pollard are also expected to include an agreement that will resolve the charge against his wife, sources said.